TAX COUNSELING FOR THE ELDERLY

Application Package

Department of the Treasury
Internal Revenue Service
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TAX COUNSELING FOR THE ELDERLY

APPLICATION PACKAGE

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I

INTRODUCTION

Section 163 of the Revenue Act of 1978, Public Law 95-600, November 6, 1978, (92 Stat. 2810) provides that the Internal Revenue Service may enter into agreements with private or public non-profit agencies or organizations to establish a network of trained volunteers to provide free tax information and return preparation assistance to elderly individuals.

Programs will be administered by non-profit agencies and organizations under cooperative agreements with the Internal Revenue Service in compliance with the Federal Grant and Cooperative Agreement Act of 1977, Public Law 95-224, February 3, 1978, (92 Stat. 3, 41 U.S.C. 501-509). Cooperative agreements which are entered into before Congress has passed an appropriation for Fiscal Year 1987 will be conditioned upon funds being appropriated. Cooperative agreements will provide: (1) for the implementation of the tax assistance program(s) by geographical area, (2) the functions to be performed by the Service and program sponsor, (3) the maximum amount of money available for reimbursement of expenses, and (4) other information.

Normally, cooperative agreements will be entered into based upon competition among eligible agencies and organizations. Agencies and organizations will be eligible to enter into cooperative agreements if they are non-profit and have experience in coordinating volunteer programs. Eligible applicants will be selected to enter into cooperative agreements on the basis of information provided in their application and in accordance with the criteria set forth in this package.

Under a cooperative agreement, the organization sponsoring a Tax Counseling for the Elderly program will be responsible for administration of the program, including the recruitment and management of volunteers.

The Service will normally provide training and technical support. Program operations will be primarily carried on by the volunteers. Where provided for in the cooperative agreement and to the extent provided for in the cooperative agreement, volunteers will receive reimbursement for allowable expenses incurred in training and in providing tax assistance, and sponsoring agencies and organizations will receive reimbursement for allowable administrative expenses of the program. Volunteers will be trained and required to pass a test designed to measure their understanding of Federal tax subjects on which they will provide assistance.

II

PROGRAM REQUIREMENTS

Subpart 100
General

110
Purpose

(a) This document lists the requirements of the IRS Tax Counseling for the Elderly program and provides information on how a non-profit organization may enter into a cooperative agreement with IRS.

120
Definitions

The following definitions apply to all sections of this Part:

(a) "Section 163" means Section 163 of the Revenue Act of 1978, Pub. L. 95-600, November 6, 1978 (92 Stat. 2810).

(b) "IRS" means the Internal Revenue Service.

(c) "Federal income tax return" means any return required under Chapter 61 of the Internal Revenue Code of 1954 (26 U.S.C.) with respect to the tax imposed on an individual under Chapter 1 of such Code.

(d) "Program" means the Tax Counseling for the Elderly program authorized by Section 163.

(e) "Program Regulations" mean the rules governing the program (26 CFR 601.801 - 601.806).

(f) "Elderly individual" means an individual who has attained the age of 60 years as of the close of the taxable year.

(g) "Sponsor" or "program sponsor" means a private or public non-profit agency or organization which has entered into a cooperative agreement with IRS to accomplish the objective of Section 163.

(h) "Volunteers" refer to individuals under the direction of a program sponsor who agree to provide their services free of charge to achieve the objective of the program.

(i) "Site" or "Telephone Answering Site" refers to a volunteer tax assistance office or location where elderly individuals may visit or telephone to receive free Federal tax assistance. At "Telephone Answering Sites" lines

must be installed exclusively to handle calls from the elderly regarding Federal tax inquiries, in addition to the organizations business lines.

(j) "OMB" means the Office of Management and Budget.

(k) "Counseling" means assistance with or questions relating to individual income tax returns and excludes such things as investment or estate planning and representation before IRS or in judicial proceedings.

(l) "Quality review" means the checking of a tax return to ensure its accuracy and completeness by an IRS employee or volunteer other than the individual who assisted in the preparation of the return.

Subpart 200
Cooperative Agreements

210
General

(a) No cooperative agreement shall remain in effect for more than one year, and all cooperative agreements will expire on September 30 of each year unless an earlier date is set in the cooperative agreement.

(b) The requirements of Section 163 shall be considered to be incorporated into all cooperative agreements entered into between the IRS and all program sponsors, and sponsors are expected to carry out program requirements. A sponsor's past program performance will be considered in subsequent cooperative agreement decisions.

(c) Non-profit organizations which are selected as program sponsors will have the primary responsibility for recruiting and providing administrative support to volunteers. Federal tax training (unless this is to be provided by the sponsor under the cooperative agreement) and technical support required to enable volunteers to achieve the program objective will be the primary responsibility of the IRS.

(d) Assistance will be provided to elderly taxpayers during the period for filing Federal income tax returns, January 1 through April 15 and continued throughout the period covered (October 1, 1986 through July 15, 1987) under the Cooperative Agreement. Program sponsors and IRS will work closely together to coordinate and support each other's program responsibilities.

220
Eligibility and Evaluative Criteria

Applications will be reviewed by IRS.

(a) Applicants will be eligible to enter into cooperative agreements only if they meet the following requirements:

(1) they are private or public non-profit organizations, and

(2) they have experience in coordinating volunteer programs.

(b) Organizations eligible under Section 220(a) will then be selected to enter into cooperative agreements on the basis of the factors shown below:

(1) existence and quality of prior experience in Federal income tax return preparation.

(2) quality of service (i.e., measures planned to ensure that quality assistance is provided to elderly taxpayers),

(3) qualifications of the organization (i.e., experience in providing volunteer service and service to the elderly, organizational structure, and experience in managing Federal grant programs),

(4) reasonableness of proposed budget (At least 60% of total program funds should be returned to volunteers in the form of reimbursements for out-of-pocket expenses),

(5) extent of geographical area covered and scope of the coverage in each geographical area (i.e., the number of proposed assistance sites, number of volunteers, number of Federal income tax returns to be prepared for elderly taxpayers, and other assistance to be provided),

(6) extent to which an organization plans to assist the elderly who are shut-in, blind, disabled, and/or who are members of minority groups, and

(7) completion of the proposal in conformity with the application preparation instructions.

(c) Federal, state, and local governmental agencies and organizations are not eligible to sponsor a program.

250
Background and Proposed Program Plan

(a) Applicants must submit a Background Narrative, prepared in accordance with Appendix B, as a part of their applications. Specific information on evaluative factors (1) and (3) in Section 220(b) is requested in Appendix B.

(b) Applicants must submit a Proposed Program Plan with their applications prepared in accordance with Appendix C and other parts of this application package, including these program requirements, the program regulations and Section 163. Specific information on evaluative factors (2), (4), (5), and (6) in Section 220(b) is requested in Appendix C.

275
Notification of Award Decisions

Applicants whose proposals are not selected will be notified as soon as practicable after the selections have been made. If possible, all applicants will be notified of the award decisions during October 1986.

Subpart 300
Responsibilities of the Program Sponsor

310
General

(a) Program sponsors will be responsible for recruiting and managing a volunteer network to provide tax counseling assistance to elderly individuals nationwide or in smaller, specified geographic areas.

(b) To facilitate the management of various program operations, sponsors must designate coordinators to work with IRS at its National Office and each of its district offices. A coordinator may be a volunteer or a member of the sponsor's paid professional staff. Special note to sponsors proposing statewide or nationwide tax assistance plans: Sponsors managing such programs will not be funded for any expenses that they or their volunteers incur in operating programs in those districts where they fail to designate volunteer coordinators to work with IRS district Taxpayer Education Coordinators. Those individuals working with the IRS at the district office level will be responsible for coordinating program activities in areas defined by IRS district office boundaries.

(c) Specific responsibilities of program sponsors include the following:

(1) recruit volunteers;

(2) arrange volunteer tax assistor and volunteer tax instructor training and testing schedules with IRS, and provide training schedule information to volunteers;

(3) determine numbers of Federal tax forms and IRS program materials needed;

(4) publicize program;

(5) provide the IRS district office with a list of volunteers who passed the test or retest and a list of volunteers who are exempt from the test, when IRS does not provide the instructors;

(6) establish sites and provide IRS with a list of site addresses and hours of assistance as soon as this information is known (no later than February 2, 1987). Indicate which sites, if any, are equipped with telephone answering facilities and provide the telephone number. Changes to this list must be reported immediately to the IRS district office contact;

(7) plan volunteer assistance schedules and monitor volunteer adherence to schedules;

(8) advise all volunteers that no completed and signed returns will be retained, and that no copies of completed returns will be retained;

(9) take all reasonable steps necessary to ensure that information

provided by taxpayers remains confidential, and inform volunteers that the provisions relating to disclosure of tax information of Section 1905 of Title 18, United States Code, apply to volunteers as if they were employees of the United States;

(10) encourage the use of the self-help concept of tax return preparation whenever appropriate;

(11) instruct volunteers to give taxpayers coded mailing envelopes and urge their use whenever a Federal tax return is prepared;

(12) provide paper, pencils, and other supplies to volunteers;

(13) plan, provide, and monitor the quality review and technical support needed to ensure that complete and accurate tax information is provided;

(14) conduct meetings, issue newsletters, and/or establish other means of communication with volunteers to transmit tax law information and other administrative information required to effectively manage the program and to improve the quality of assistance;

(15) keep tallies of the type of assistance rendered to taxpayers, using the "Volunteer Assistance Card," Form 6522, which is provided by the IRS; keep tallies on how many telephone inquiries were handled per day and the type of questions asked on the Telephone Inquiry Report provided by the IRS.

On Form 6522 or a duplicate, each volunteer should keep tallies on the number of Forms 1040, 1040A and 1040EZ completed, and the number of state and local returns completed. Also, in the space provided on Form 6522, each volunteer should indicate the number of taxpayers assisted who were age 60 or over. Sponsors should consolidate the data from all sites into a cumulative monthly report (Form 6522) and submit the form to the IRS district office. A total of four reports will be submitted during the tax season, January 1, 1987 through April 15, 1987. Each of the four reports must be received by the district office within 15 days of the closing of the previous month's reporting period. The deadline date for submission of each report and the period to be covered are as follows:

The first report, which covers January 1, 1987 through January 31, 1987, is due by February 15, 1987;

The second report, which covers period February 1, 1987 through February 28, 1987, is due by March 15, 1987;

The third report, which covers March 1, 1987 through March 31, 1987, is due by April 15, 1987; and

The fourth report, which covers April 1, 1987 through April 15, 1987, is due by April 30, 1987.

(16) reimburse volunteers for direct, reasonable, and prudent expenses incurred as part of volunteer service according to guidelines stated in the cooperative agreement, and inform volunteers of such guidelines;

(17) maintain records on expenses for which volunteers are reimbursed;

(18) submit expenses for reimbursement to IRS on a monthly basis by completing Form 270, Request For Advance or Reimbursement and Form 6244, Tax Counseling for the Elderly Program and Application Performance Report. NOTE: Form 270 will not be processed unless Form 6244 is attached and completed;

(19) prepare and submit to IRS National Office an interim or final Form 6244 along with a narrative summary report on program performance within 15 days after April 15. If an iterim report is submitted, a final report must be received by July 31;

(20) monitor volunteer compliance with program regulations, requirements, Section 163, and the cooperative agreement and take corrective action with volunteers who do not comply;

(21) arrange for an independent audit of use of funds; caveat — sponsors who receive grants of $20,000.00 or more must have the audit of TCE funds completed by a Certified Public Accountant;

(22) advise all volunteers that service is provided free; and

(24) perform other relevant duties necessary to comply with these program requirements, the cooperative agreement, and Section 163.

320
Use of Funds

(a) Expenses incurred in carrying out responsibilities stated in Section 310(c) of this Part are allowable costs provided they are ordinary and necessary and, in total, do not exceed the amount of the total award specified in the cooperative agreement. Budgeted activities must not exceed the amount stated in the Tax Counseling for the Elderly Program Application and Performance Report, Form 6244, and the amount identified in Appendix C, page 24, item 15, without written approval from IRS.

(b) Since, under Section 163, this program is established to provide free tax assistance to individuals age 60 and over (where a joint return is involved, only one spouse need satisfy the 60 year age requirement), the program must be designed and operated solely to provide assistance to such individuals. However, assistance with respect to Federal income tax returns may be provided to individuals under 60 and assistance with respect to state and local returns may be provided to individuals of any age if providing such assistance is entirely voluntary on the part of those rendering it, no charge is made for the assistance, assistance to the elderly is given priority and is in no way interrupted or delayed, and no additional expense is incurred by IRS. Since the Internal Revenue Service cannot train volunteers to prepare state and local tax returns, program sponsors are responsible for scheduling appropriate state and local tax training and for securing necessary tax forms wherever this service will be voluntarily offered.

(c) Special efforts should be made to reach the elderly who also are disabled, blind, shut-in and members of minority groups. Plans for tax

assistance should include trips to nursing homes and housing complexes for the elderly and other such services not available at a site with a fixed location. Sponsors who maintain telephone answering sites should make the elderly aware of these services.

(d) Expenses are properly related to the Tax Counseling for the Elderly program and allowable only if they are expenses or costs that would not have been incurred but for the program. Such expenses would include reimbursements to volunteers, publicity, and training costs directly and totally associated with the program. Such expenses would also include properly allocable:

(1) salaries, wages, and benefits of clerical personnel;

(2) office supplies and equipment with a unit cost less than $15;

(3) rent, utilities, and custodial services when additional and necessary;

(4) miscellaneous services, such as printing, postage, insurance, etc.;

(5) audit services, refer to page 8, Section 310, item 21;

(6) the installation of the number of telephone lines necessary to service a telephone answering site; and

(7) travel of program sponsors, including expenses incurred by program administrators who may be required to travel to IRS National Office, Washington, D.C., to attend a one-day orientation training session on or about November 1, 1986. The purpose of the session is to fully explain the requirements and obligations of the TCE program.

(e) No more than 13 percent of the total Federal funds provided to a program sponsor under Section 163 may be expended for administrative expenses such as salaries/benefits, supplies, rents/utilities/custodial services, travel, sponsor report (cost of TCE statistical roll-up reports), disbursement costs, and telephone installation. All administrative costs should be stated on the appropriate line in the support section of Form 6244. All expenses relating to recruitment, reimbursement to volunteers, and quality review must be stated on the appropriate line of Form 6244.

(f) No Federal funds provided to a program sponsored under the Act may be expended directly or indirectly for:

(1) salaries, wages, and benefits of program sponsor executives or program administrators;

(2) supplies or equipment with a unit cost of $15 or more;

(3) purchase, construction, repair, or rehabilitation of any building or portion thereof;

(4) costs or expenses incurred which do not support or benefit the program, or which are not necessary in carrying out the program;

(5) costs or expenses incurred or paid prior to IRS approval of the cooperative agreement;

(6) costs for installation of a "toll-free," "WATS" or 800 number in a telephone answering site;

(7) preparation of the application package; or

(8) preparation for next year's program.

(g) The amount estimated for reimbursements to volunteers must be stated in the application. Applicants will also be required to describe:

(1) method (stipend vs. actual expenses) and frequency of reimbursement. Stipends are designed to relieve the volunteer of expense documentation and should be estimated on expected out-of-pocket expenses. Stipends are not to be based on the time the volunteer is expected to be engaged in volunteer service.

(2) allowable expense items;

(3) forms and vouchers to be used to record volunteer and all other expenses;

(4) accounting procedures; and

(5) plans for audits and controls.

Methods of handling reimbursements to volunteers must be set forth in the application and will become part of the cooperative agreement. It should be noted that IRS cannot provide advance payment of funds in the form of a letter of credit or similar means. Periodic payments will not be made until after work has been performed. Final payments will not be made until final performance reports have been received. Requests for final payment must be received by IRS no later than July 31 of the current fiscal year. Any changes to reimbursement procedures after awards have been made must be approved in writing by the IRS Program Manager in accordance with 601.802 of the Statement or Procedural Rules.

(h) Program sponsors are responsible for complying with all other program requirements stated in this part, the program regulations, Section 163, and the cooperative agreement.

330
Recruitment and Management of Volunteers

(a) Program sponsors are responsible for recruiting and managing the activities of volunteers. In recruiting volunteers, program sponsors should consider the organization's need for volunteer tax assistors, instructors, and coordinators/administrators.

(b) Health, accident, and liability insurance that may be necessary for volunteers is the exclusive responsibility of the program sponsor.

(c) Volunteers are persons under the direction of a program sponsor who agree to provide their services free of charge to achieve the objectives of the program. Reimbursements for expenses are allowed to volunteers as authorized in the cooperative agreement. Volunteers must agree to follow the rules stated in this part and to follow other rules and procedures established by IRS and the program sponsor. Volunteers will be eligible to receive reimbursement for expenses incurred with respect to work performed for the program if reimbursement is provided for in the cooperative agreement and subject to any conditions set forth in the cooperative agreement. Expenses for which reimbursement may be received and the basic procedures for obtaining reimbursement will also be set forth in the cooperative agreement.

(d) There are three general categories of volunteers:
—volunteer tax assistors;
—volunteer tax instructors;
—volunteer tax coordinators/administrators.

(1) Volunteer tax assistors provide tax information and tax return preparation assistance to elderly taxpayers. Since program sponsors will be evaluated on their ability to efficiently serve elderly taxpayers while providing high quality assistance, selective recruitment of volunteers will be an important objective for program sponsors. Prospective Tax Counseling for the Elderly sponsors should recognize that the volunteer training course offered by the IRS deals almost exclusively with tax topics beyond basic income tax return preparation information. Therefore, volunteers must have knowledge of basic tax skills before attending Tax Counseling for the Elderly training. IRS is not obligated to provide such basic tax instruction. Volunteers must pass a test in order to become eligible to provide tax assistance to individuals. Volunteers who pass the test will receive notification that they are certified to provide tax assistance as part of the Tax Counseling for the Elderly program. The opportunity for taking a retest will be made available by IRS to volunteers who do not pass the test. While volunteers will not be required to attend a Tax Counseling training class, all volunteers except professional accountants must take and pass the TCE test in order to be eligible to provide tax assistance to individuals. Volunteers are encouraged to use a self-help approach when assisting taxpayers. Self-help assistance involves inviting taxpayers to complete their own returns with guidance from tax assistors.

Volunteer tax assistors will:

(a) provide tax counseling and return preparation services to the elderly, but not if such counseling and services deal with topics on which Tax Counseling for the Elderly volunteers have not received training or with which Tax Counseling for the Elderly volunteers have not had experience;

(b) be certified by an IRS district office as eligible to provide tax counseling assistance;

(c) follow IRS and program sponsor procedures that safeguard the confidentiality of tax return information and that provide for quality review of tax returns, including encouraging taxpayers to use coded envelopes;

(d) agree to identify returns prepared by entering the program sponsor's identifying code in the preparer's block on Form 1040EZ, Form 1040A and Form 1040;

(e) maintain a written record of assistance provided to taxpayers and submit this record to the program sponsor;

(f) complete vouchers required by the program sponsor stating allowable expenses incurred and submit the vouchers to the program sponsor according to guidelines established in the cooperative agreement;

(g) not retain any completed and signed returns or copies of completed and signed returns.

(h) not solicit donations for their tax counseling and return preparation services, and

(i) perform other functions necessary to carry out the program.

(2) The IRS will provide tax instructors. Volunteer tax instructors, however, can supplement or replace IRS instructors. Volunteer tax instructors instruct volunteer tax assistors on income tax return preparation. They should be persons with extensive tax law backgrounds and teaching experience or ability. Program sponsors are responsible for recruiting volunteer instructors. IRS will conduct instructor workshops for IRS and volunteer instructors to aquaint them with the training materials, changes in the tax laws and tax forms, and to discuss instructional techniques. Volunteer instructors are required to receive certification from IRS as does a volunteer tax assistor. In addition to teaching classes, volunteer instructors have reporting and counseling responsibilities required by the program sponsor. IRS reserves the right to recommend to a sponsor that a particular volunteer instructor not be given a teaching assignment if that person's workshop performance is not acceptable. Volunteer instructors must agree to respect the confidentiality of any taxpayer return information obtained as a result of or in connection with volunteer service.

(3) Volunteer coordinators/administrators provide administrative support for the program by acting as managers, program leaders, and publicity specialists, and by providing other services as needed. Volunteer coordinators/administrators who will not be providing tax assistance to taxpayers will not need to receive certification from the IRS. Volunteer coordinators/administrators must agree to respect the confidentiality of any taxpayer return information obtained as a result of or in connection with volunteer service. Volunteer coordinators/administrators will be needed to manage the activities of volunteers and to provide administrative support for the program. Volunteer coordinators/administrators may:

(a) recruit volunteers and establish assistance sites,

(b) coordinate training and tax assistance schedules,

(c) assist with program publicity,

(d) maintain records and prepare reports for IRS and the program sponsor,

(e) attend meetings at IRS and conduct liaison work with IRS,

(f) perform related clerical and secretarial duties, and

(g) perform other activities identified by the program sponsor as agreed to in the cooperative agreement.

340
Selection and Management of Tax Assistance Sites

(a) Program sponsors are responsible for making arrangements for volunteer tax assistance sites. The primary consideration for program sponsors in selecting sites is that they should be accessible to elderly taxpayers.

(b) In choosing site locations, program sponsors should plan coverage for a geographic area by considering the location of elderly populations and the availability of volunteers.

(c) In selecting sites, program sponsors should seek locations where there will be no charge or minimal charges for use of space. Libraries, community centers, and schools are examples of suitable sites where space can be obtained at little or no cost to program sponsors. In instances where there is a charge for use of space, the information in Section 320(d)(3) will apply. The availability of a telephone for use by volunteers to obtain technical assistance from IRS should also be considered.

350
Publicity

(a) The IRS National Office will develop and issue television and radio spot announcements as well as print materials to publicize the tax assistance service offered by program sponsors to elderly taxpayers. Program sponsors will be responsible for adapting materials to meet local needs and for placing materials with the media. Developing materials and publicity that may be necessary to recruit volunteers to participate in the program is the exclusive responsibility of the program sponsor.

(b) Basic publicity budgets for the program must be abated on Form 6244 for the Elderly Program Application and Performance Report.

(c) After the IRS has entered into cooperative agreements with program sponsors, IRS District Taxpayer Education Coordinators and IRS Public Affairs Officers will be available to advise sponsor publicity representatives on planning effective media programs and placing media materials. Plans for publicity should be made well in advance of the dates assistance is offered at volunteer sites.

(d) Publicity should emphasize that assistance offered at volunteer sites is for taxpayers age 60 and over. Special efforts should be made to publicize and to reach the elderly who also are shut-ins, blind or disabled and/or

members of minority groups. Sponsors who maintain telephone answering sites should advise taxpayers who phone-in that assistance may be provided at nursing homes, housing complexes for the elderly, the private homes of shut-ins and other off-site locations.

(e) All publicity must mention that tax assistance offered is free of charge to the taxpayer.

360
Quality Control Requirements for Tax Assistance

(a) A measure of the effectiveness of program operations is the quality of service provided to elderly taxpayers. Given the complexity of the Federal tax laws, it is important to establish management systems to check the accuracy and completeness of information provided.

(b) Two formal IRS quality control systems will be used in the program:

(1) Testing of Volunteers - Volunteers except professional accountants will be required to take a test designed to measure their understanding of Federal tax subjects on which they will provide assistance. Volunteers who do not receive a satisfactory score will not be eligible to participate in the program as assistors.

(2) Quality Review of Federal Tax Returns - Individuals having their tax returns prepared by volunteers will given coded program envelopes for mailing their Federal tax returns. These postage-paid envelopes will be supplied by the IRS. The IRS will review tax returns for accuracy and inform the program sponsor of the errors identified. In addition, IRS district offices will, from time to time, prepare and issue newsletters addressing quality review topics. Program sponsors will be responsible for reporting to volunteers errors found by the IRS and for conducting meetings and training sessions to improve quality of assistance. Procedures for the quality review program will be provided to program sponsors by the IRS. Quality review reports or meetings may not include references by name to specific taxpayers.

(c) Program sponsors should independently develop and institute additional quality review measures.

370
Management Reporting

(a) The Tax Counseling for the Elderly Program Application and Performance Report (Form 6244) and narrative statement is the primary tool for program reporting. This form is a part of the initial application and final report. It contains columns for reporting program totals and costs for program sponsors. When preparing Form 6244, large discrepancies between planned and actual program totals should be explained in narrative. Recommendations for improving performance should also be described. Instructions on report preparation are provided in Appendix C of the application package. Please refer to section 310(c)(18).

(b) A sponsor's interim or final performance report for program activity through April 15 must be submitted to IRS National Office by April 30. For those sponsors submitting interim reports, a final report must be submitted by July 31.

400
Responsibilities of IRS

(a) The National Office, regional offices, and district offices are the organizational levels within IRS with which sponsors will coordinate program activities.

(b) The IRS National Office will:

(1) develop, authorize, coordinate, and monitor all program activities and may conduct periodic audits of same;

(2) develop and issue program requirements and guidelines;

(3) prepare and issue national IRS training, technical, publicity, and administration materials, and forms and publications required for the program;

(4) arrange preferential telephone access to IRS taxpayer service representatives for making available technical information needed during the course of the volunteer's work;

(5) establish national program quality control measures and reporting requirements;

(6) coordinate national conferences, training programs, or other meetings as necessary; and

(7) act as contact point for program sponsor coordinators on questions or problems that cannot be resolved at district or regional office levels, on matters affecting more than one region, and on issues of national concern.

(c) IRS regional offices will:

(1) clarify program guidelines for IRS district offices;

(2) ensure that district offices monitor the activities of Tax Counseling for the Elderly sponsoring organizations to make certain they are carrying out program responsibilities;

(3) host regional conferences or other meetings, as necessary; and

(4) act as contact point for program sponsor coordinators on matters that cannot be resolved in their district offices, affect more than one district in their region, and on other issues of regional concern.

(d) IRS district offices have the responsibilities stated below. Names, addresses, and telephone numbers of IRS district office program coordinators will be provided to program sponsors after cooperative agreements are signed. IRS district offices will:

(1) review and assist with the operation of the program sponsor's district plan, as necessary;

(2) train and test volunteers (unless the sponsoring organization provides instructors);

(3) provide tax forms and other program materials to volunteer groups;

(4) provide program publcity and advise sponsors on localization and placement of publicity developed by the IRS National Office;

(5) monitor the activities of Tax Counseling for the Elderly sponsoring organizations to make certain that they are carrying out program responsibilities;

(6) provide technical personnel to carry out quality review activities;

(7) serve as first contact point for program sponsors within the district and coordinate district-wide program activities with program sponsors as appropriate, e.g., plan conferences and meetings;

(8) visit tax assistance sites as required; and

(9) evaluate the district program and prepare reports as required.

500
Administrative Requirements

(a) Administrative requirements set forth in OMB and Treasury Circulars--the basic administrative requirements applicable to individual cooperative agreements--are contained in Office of Management and Budget Circular No. A-110, Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-profit Organizations (41 FR 32016). All applicable provisions of this circular and Treasury Department Circular No. 1075, as revised, and any existing and further supplements and revisions are incorporated into these program requirements and into all cooperative agreements entered into between the Internal Revenue Service and program sponsors.

(b) Programs involving use of Federal funds also are governed by a wide variety of Federal laws, Federal regulations, Executive Orders of the President, and circulars and directives from the Office of Management and Budget and other Federal agencies. These may include restrictions on political activities 18 U.S.C. 595, 598, 600-603, the preservation requirements in National Historic Preservation Act (16 U.S.C. 470 et seq.), and the Archeological and Historic Preservation Act of 1966 (16 U.S.C. 469a-1 et seq.), environmental requirements of the Clean Air Act (42 U.S.C. 7401 et seq.) and Section 308 of the Federal Water Pollution Control Provisions (33 U.S.C. 1251 et seq.), and restrictions on lobbying (18 U.S.C. 1913).

III

Application Assembly, Submission, Acknowledgment, and Availability to the Public.

A. Application Assembly. The Application must be assembled as described below:

1. Cooperative Agreement Cover sheet (Appendix A): This sheet must be signed and dated.

2. Background Narrative (Appendix B): This narrative must be prepared according to the outline provided. A copy of the most recent financial statement must be attached.

3. Proposed Program Plan (Appendix C), including Form 6244, "Program Application and Performance Report." This narrative and form must be prepared according to the instructions provided.

4. OMB Standard Form 424 (Appendix D): This form must be completed according to the instructions provided, and must be signed.

5. Assurances and Certifications (Appendix E): This document must be signed.

B. Application Submission. Applications must be organized as described above. All parts prepared by the applicant must be typed, double-spaced. Submit four complete copies of the application as described in A above. All copies must have original signatures. Each should be stapled in the upper left-hand corner.

1. Method of Delivery

(a) Mail Delivery. If a record of delivery is desired, use certified mail, with a return receipt requested. The application should be securely wrapped and addressed as follows:

Internal Revenue Service
Program Manager
Tax Counseling for the Elderly
Taxpayer Service Division, D:R:T:I, Room 7213
1111 Constitution Avenue, N.W.
Washington, D.C. 20224

(b) Hand delivery. Applications may be delivered directly to the Program Manager in Room 7213 at the above address between the hours of 8:15 a.m. and 4:45 p.m., local time, Monday through Friday, except for Federal holidays. Hand delivered applications will not be accepted at any other time or by any other office.

2. Time of Delivery and Late Deliveries

(a) Deadline. The deadline for receipt of completed applications by IRS is 30 days after the announcement is published in the Federal Register.

(b) Late Deliveries. Any application received at the office designated after the exact time specified will not be considered unless:

(1) it was sent by registered or certified mail not later than the fifth calendar day prior to the date specified for the receipt of applications, or it was sent timely by mail and it is determined by the Service that the late receipt was due solely to mishandling by the Service after receipt at 1111 Constitution Avenue, N.W., Washington, D.C. 20224; or

(2) it was received before award is made and proposes to provide counseling services for the elderly in a geographic area for which no eligible organization submitted an acceptable application.

(c) Modification and Withdrawals. An application may be withdrawn by an applicant or its authorized representative, provided his/her identity is made known and a receipt is signed for the applicant, but only if the withdrawal is made before any award is made.

C. Availability to the Public. All proposals will be made available to the public upon written request under provisions of the Freedom of Information Act.

Appendix A
Cooperative Agreement Cover Sheet

This cooperative agreement is entered into by the Internal Revenue Service, Department of the Treasury, United States of America, hereinafter referred to as IRS, and _____ (Name of Applicant) _____, hereinafter referred to as sponsor. This agreement is conditioned upon the appropriation of funds by Congress for the Tax Counseling for the Elderly program.

The sponsor agrees to operate a Tax Counseling for the Elderly program in conformity with the following:

1. Proposed Program Plan.
2. Program Requirements (Part II of the Application Package).
3. Standard Form 424.
4. Assurances and Certifications.
5. Section 163 of the Revenue Act of 1978, Public Law 95-600, November 6, 1978, (92 Stat. 2810).
6. The regulations published in the Federal Register at (44 F.R. 72113) on December 13, 1979) adding a new subchapter H to the Internal Revenue Service's Statement of Procedural Rules (26 C.F.R. Part 601).
7. Office of Management and Budget Circular No. A-110 (41 F.R. 32016) and subsequent amendments, revisions, and replacement documents.
8. Department of the Treasury Circular No. 1075 and subsequent amendments, revisions, and replacement documents.
9. All additional applicable statutory requirements, and all additional applicable requirements in Office of Management and Budget Circulars, Department of the Treasury Circulars and Federal Management Circulars.

Cooperative Agreement Period

This cooperative agreement covers the period from October 1, 1986 to July 15, 1987, pending approval of your proposal. NOTE: If expenses are incurred prior to approval, and the grant is later denied, all costs incurred will be the responsibility of the Sponsor.

Maximum Amount of Funds Available from Internal Revenue Service For Expense Reimbursement: The maximum amount of funds available from the Internal Revenue Service under this cooperative agreement is _____. The availability of funds is conditioned upon the appropriation of funds by Congress. This amount only may be increased in writing by the Director, Taxpayer Service Division, D:R:T, Room 7331, Internal Revenue Service, 1111 Constitution Avenue, N.W., Washington, D.C., 20224. No additional expense reimbursements or other payments shall be made by the Internal Revenue Service unless the maximum amount of funds set forth above has been increased in writing by the Director of the Taxpayer Service Division.

Approved for the Program Sponsor by

Name

Title

Signature Date

Approved for the Internal Revenue Service by

Name

Title

Signature Date

Appendix B
Background Narrative

This section is designed to solicit information concerning the qualifications of the applicant.

Provide the following information in paragraph form, keeping comments concise and relevant. This information should be typed, double-spaced and the paragraphs should be numbered to parallel the paragraphs below.

1. Give a description of applicant's experience in coordinating volunteer programs and the management structure used. Include type and duration of service, target groups, and geographic area covered.

2. Give a description of applicant's experience in delivering services to the elderly, including types of service provided, number of elderly reached, and geographic area covered.

3. Give information which would indicate applicant's ability to properly utilize and account for program funds. This should include examples of experience in managing Federal grants, if any, a description of the organization's existing accounting system and support staff. Attach a copy of the most recent financial statement (preferably an audited one), copies of relevant internal procedures, and other pertinent information.

4. Give evidence of the quality of the management staff as measured by experience in providing similar services. Include the responsibilities of the top five members of professional staff who would be involved with this program.

5. Give a description of the nature of applicant's organization. Include a full explanation of the agency's affiliation with another organization such as a school, a governmental body, or another private charitable organization if such an affiliation exists.

6. Give a description of applicant's past Federal tax return preparation experience.

Appendix C
Proposed Program Plan and Final Report

This section is designed to solicit specific information concerning the proposed tax assistance program and the methods and procedures to be used to implement the program. A final Form 6244 and narrative will be submitted as well. The narrative should be typed, double spaced, and the responses should be numbered to parallel the paragraphs below. For the plan, estimated volumes and cost figures should be entered on the Tax Counseling for the Elderly Program Application and Performance Report (Form 6244), hereinafter referred to as Form 6244.

The language used in the proposed program plan must not merely describe what has been done in the past or describe existing programs. It must clearly and affirmatively indicate that what is described is what will be provided if a cooperative agreement is entered into with the applicant.

1. Briefly describe the overall plans for implementing this program and the steps that will be taken to ensure compliance with its rules and administrative guidelines.

2. Describe the methods and resources that will be used to recruit volunteer assistors, instructors (if any), and coordinators/ administrators. See Section 330 (Recruitment and Management of Volunteers) of the Program Requirements for specific guidelines. Enter the anticipated numbers and types of volunteers, the anticipated total recruitment cost, and the cost per volunteer recruited on lines 1-5 of Form 6244.

3. Describe plans to provide training for the volunteers. Specify whether IRS will be required to conduct the training, or if the applicant organization will provide the training.

4. Describe plans for reimbursement of volunteers as outlined in Section 320 of the Program Requirements. Enter the total amount to be distributed to volunteers as reimbursement and the numbers of volunteers to whom reimbursement will be made on lines 6-10 of Form 6244. Describe the method and frequency of reimbursement. For example, will volunteers be reimbursed for the actual expenses they incur or will stipends be provided? Please refer to Sections 320(g) and 330(c).

5. Describe plans for program and site publicity. Enter the cost for this item on line 11 of Form 6244.

6. Describe planned actions to ensure that the volunteers provide quality service to elderly taxpayers. The applicant should describe planned on-site quality review procedures and periodic meetings to draw the attention of volunteers to problem areas. Enter estimated costs on line 12 of Form 6244. Please refer to Sections 310(c)(13) and (14) and 360(a) and (b).

7. State the steps that will be taken to ensure taxpayer privacy and to maintain the confidentiality of tax returns. Please refer to Sections 310(c)(8) and (9).

8. Itemize and explain anticipated program costs exclusive of those relating to the recruitment and reimbursement of volunteers, publicity, and quality review. Enter these amounts on lines 14-21 on the Form 6244. These costs should not be more than 100% of the total award requested. Please refer to Sections 320(d), (e), and (f).

9. Estimate (a) the number of Federal income tax returns that will be prepared for elderly taxpayers; (b) estimate the number of "other than Federal" tax returns volunteers are expected to prepare; and (c) estimate the number of elderly taxpayers for whom other types of federal tax return assistance will be provided (e.g., answering tax questions). Also, enter these figures on lines 24, 26 and 27 (respectively) on Form 6244. Please refer to Section 310(c)(15).

   Use Form 6522 (or a duplicate) to collect data on the number of taxpayers assisted and type of assistance provided. Please refer to Section 310(c)(15).

   Special note to sponsors proposing a nationwide tax assistance plan: Estimate the number of Tax Counseling for the Elderly volunteers you expect to participate in each IRS district and the number of Federal income tax returns you expect volunteers to prepare in each district. List this information.

10. State the unit cost per Federal tax return and place this figure on line 25 of Form 6244. (To determine this amount, divide line 23, column (d) by line 24, column (c)).

    Also, state the estimated unit cost per volunteer, and place this figure on line 28 of Form 6244. (To determine this amount, divide line 23, column (d) by line 4 column (c)).

11. Provide the estimated number and geographic distribution of sites for tax assistance for the elderly. If plans include providing assistance in more than one state, list the anticipated number of sites for each state. Include the total number of anticipated sites on line 29 of Form 6244. Include in this description how many sites will be operated one time only during the period January 1- April 15, and how many sites will be operated on a regular basis. Please refer to 340(a).

12. Describe special plans to assist the elderly who are shut-in, blind, disabled, and/or who are members of minority groups.

13. Explain internal procedures to be used to monitor and evaluate program activities to ensure that the program is being administered in accordance with the guidelines. Please refer to Sections 310(c)(18) and (20).

14. Estimate the number of telephone answering sites to be provided. Also, estimate the projected number of calls to be handled, the number of telephone lines needed and the projected volunteer staff required. Describe the type of assistance to be given by telephone and any special plans to monitor its quality.

15. Prepare an estimate of travel expenses (including meals and lodging) to Washington, D.C. and attach it with Form 6244. Cost of travel by commercial transportation must be economy fare, and discount rates (excursion and/or super-saver fares) should be used when applicable. Meals and lodging will be limited to the applicable government per diem rate in effect at that time. Do not include the amount of your estimate on line 18 of Form 6244. Refer to page 9, item 7.

16. In your final report submit a copy of the TCE audit findings. Refer to Section 310, page 8, item 21.

OMB No. 1545-0474
Expires 02/29/88

Form 6244 (Rev. June 1980)	Department of the Treasury — Internal Revenue Service **Tax Counseling for the Elderly Program Application and Performance Report**	Fiscal Year

Activity (a)	Performance Items (b)	Numbers (c)	Cost (d)
Recruitment	1. Volunteer tax assistors		
	2. Volunteer instructors		
	3. Volunteer coordinators/administrators		
	4. Total *(lines 1 through 3)*		$
	5. Cost per volunteer recruited		
Reimbursements	6. To volunteer tax assistors		
	7. To volunteer instructors		
	8. To volunteer coordinators/administrators		
	9. Total *(lines 6 through 8)*		
	10. Cost per volunteer reimbursed		
Other	11. Publicity		
	12. Quality review		
	13. Total performance costs *(add lines 4, 9, 11, 12, column (d))*		
Activity (a)	**Administrative Items (b)**	**Numbers (c)**	**Cost (d)**
Support	14. Salaries/benefits		$
	15. Supplies		
	16. Rent/utilities/custodial services		
	17. Auditing		
	18. Travel		
	19. Disbursement costs		
	20. Sponsor report		
	21. Other administrative items (Telephone installation, etc.)		
	22. Total support costs *(add lines 14 through 21, column (d))*. This figure should not be more than 13% of line 23.		
	23. Total program cost *(add lines 13 and 22, column (d))*		

Other Information	Numbers (c)	Cost (d)
24. Federal returns prepared		
25. Cost per Federal return		$
26. Other returns prepared		
27. Other assistance		
28. Cost per volunteer		$
29. Number of assistance sites		

Signature of program sponsor	Date

Appendix D
Instructions for Standard Form 424

Applicant Procedures for Section I. If additional space is needed, insert an asterisk "*" and use the remarks section on the back of the form. An explanation follows for each item:

Item 1. Mark "Application."

Item 2a. Applicant's own control number if desired.

Item 3a. "NA" (Not Applicable).

Item 3b. "NA"

Item 4a - 4h. Legal name of applicant, name of primary organizational unit which will undertake the assisted activity, complete address of applicant, and name and telephone number of person who can provide further information about the request.

Item 5. Employer identification number of applicant as assigned by the Internal Revenue Service.

Item 6a. "Pub. 95-600, (Nov. 6, 78)."

Item 6b. "Tax Counseling for the Elderly Program."

Item 7. For the description, applicant may enter: "This project will provide free Federal tax information and return preparation assistance to elderly taxpayers."

Item 8. Can only be a public or private non-profit agency or organization.

Item 9. "E" for other.

Item 10. Enter major cities and states where assistance will be provided.

Item 11. Number of elderly taxpayers to be assisted.

Item 12a. (Has been filled in).

Item 13. Put amount requested in Block A.

Item 14a. Self explanatory.

Item 14b. The district(s) where the proposed project or its sub-projects will be conducted. If covering several districts, write "city-wide," "statewide," or "multi-state," as appropriate.

Item 15. Complete only for revisions (Item 12c) or augmentations (Item 12e). Otherwise, enter "NA."

Item 16. Approximate date project expected to begin (usually associated with estimated date of availability of funds).

Item 17. Up to 12 months.

Item 18. "NA"

Item 19. "NA"

Item 20. Internal Revenue Service

Item 21. Check appropriate box as to whether Section IV of the form contains remarks and/or additional remarks are attached.

Application Procedures for Section II.

Item 22. "NA"

Item 23. Complete items 23a, 23b and 23c. The signatory official must be a fully authorized representative of the applicant organization.

Note: Applicant completes only Section I and II of the form. The Internal Revenue Service completes Section III.

OMB Approval No. 0348-0006

FEDERAL ASSISTANCE

SECTION I—APPLICANT/RECIPIENT DATA

1. TYPE OF SUBMISSION *(Mark appropriate box)*
☐ NOTICE OF INTENT (OPTIONAL)
☐ PREAPPLICATION
☐ APPLICATION

2. APPLICANT'S APPLICATION IDENTIFIER
a. NUMBER
b. DATE *Year month day* 19

3. STATE APPLICATION IDENTIFIER
NOTE: TO BE ASSIGNED BY STATE
a. NUMBER
b. DATE ASSIGNED *Year month day* 19

Leave Blank

4. LEGAL APPLICANT/RECIPIENT
a. Applicant Name
b. Organization Unit
c. Street/P.O. Box
d. City
e. County
f. State
g. ZIP Code.
h. Contact Person *(Name & Telephone No.)*

5. EMPLOYER IDENTIFICATION NUMBER (EIN)

6. PROGRAM *(From CFDA)*
a. NUMBER
MULTIPLE ☐
b. TITLE

7. TITLE OF APPLICANT'S PROJECT (Use section IV of this form to provide a summary description of the project.)

8. TYPE OF APPLICANT/RECIPIENT
A—State
B—Interstate
C—Substate Organization
D—County
E—City
F—School District
G—Special Purpose District
H—Community Action Agency
I—Higher Educational Institution
J—Indian Tribe
K—Other *(Specify):*
Enter appropriate letter ☐

9. AREA OF PROJECT IMPACT *(Names of cities, counties, states, etc.)*

10. ESTIMATED NUMBER OF PERSONS BENEFITING

11. TYPE OF ASSISTANCE
A—Basic Grant
B—Supplemental Grant
C—Loan
D—Insurance
E—Other
Enter appropriate letter(s) ☐☐

12. PROPOSED FUNDING

a. FEDERAL	$ .00
b. APPLICANT	.00
c. STATE	.00
d. LOCAL	.00
e. OTHER	.00
f. Total	$ .00

13. CONGRESSIONAL DISTRICTS OF:
a. APPLICANT
b. PROJECT

15. PROJECT START DATE *Year month day* 19

16. PROJECT DURATION *Months*

18. DATE DUE TO FEDERAL AGENCY ► *Year month day* 19

14. TYPE OF APPLICATION
A—New
B—Renewal
C—Revision
D—Continuation
E—Augmentation
Enter appropriate letter ☐

17. TYPE OF CHANGE *(For 14c or 14e)*
A—Increase Dollars
B—Decrease Dollars
C—Increase Duration
D—Decrease Duration
E—Cancellation
F—Other *(Specify):*
Enter appropriate letter(s) ☐☐☐

19. FEDERAL AGENCY TO RECEIVE REQUEST
a. ORGANIZATIONAL UNIT (IF APPROPRIATE)
b. ADMINISTRATIVE CONTACT (IF KNOWN)
c. ADDRESS

20. EXISTING FEDERAL GRANT IDENTIFICATION NUMBER

21. REMARKS ADDED
☐ Yes ☐ No

SECTION II—CERTIFICATION

22. THE APPLICANT CERTIFIES THAT►
To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved.

a. YES, THIS NOTICE OF INTENT/PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON:
DATE _____

b. NO, PROGRAM IS NOT COVERED BY E.O. 12372 ☐
OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW ☐

23. CERTIFYING REPRESENTATIVE
a. TYPED NAME AND TITLE
b. SIGNATURE

SECTION III—FEDERAL AGENCY ACTION

24. APPLICATION RECEIVED *Year month day* 19

25. FEDERAL APPLICATION IDENTIFICATION NUMBER

26. FEDERAL GRANT IDENTIFICATION

27. ACTION TAKEN
☐ a. AWARDED
☐ b. REJECTED
☐ c. RETURNED FOR AMENDMENT
☐ d. RETURNED FOR E.O. 12372 SUBMISSION BY APPLICANT TO STATE
☐ e. DEFERRED
☐ f. WITHDRAWN

28. FUNDING

a. FEDERAL	$ .00
b. APPLICANT	.00
c. STATE	.00
d. LOCAL	.00
e. OTHER	.00
f. TOTAL	$ .00

29. ACTION DATE► *Year month day* 19

30. STARTING DATE *Year month date* 19

31. CONTACT FOR ADDITIONAL INFORMATION *(Name and telephone number)*

32. ENDING DATE *Year month date* 19

33. REMARKS ADDED
☐ Yes ☐ No

Appendix E
Assurances and Certifications

The applicant assures and certifies with respect to any cooperative agreement entered into that:

A. Non-Profit Status
The applicant is a public or private non-profit organization
Note: Federal, state and local governmental agencies and organizations are not eligible to become program sponsors.

B. Segregated Facilities
The applicant will not maintain or provide any segregated facilities at any place where tax counseling services are provided, and will not permit tax counseling services to be provided at any location where segregated facilities are maintained.

C. Discrimination
No person shall be excluded from participating in, be denied the benefits of, or be otherwise subjected to discrimination on the basis of race, color, sex, or National origin from participating as a volunteer in or receiving tax assistance from any tax counseling program operated by the applicant and that any measures necessary to effectuate this certification will immediately be taken.

D. Disclosure
The applicant will take all reasonable steps necessary to ensure that information provided by taxpayers remains confidential, including instructing volunteers that such information is strictly confidential and must not be discussed with anyone and that the provisions relating to disclosure of tax information of Section 1905 of Title 18, United States Code, apply to volunteers as if they were employees of the United States.

The applicant also certifies that the information in this application is correct to the best of its knowledge and belief and that the filing of this application has been duly authorized.

_____ _____
(Legal Name of Applicant) (Address)

_____
(Signature of Chief Official or his/her Designee)

_____ _____
(Typed name and title of Chief Official or his/her Designee) (Date of Application)

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